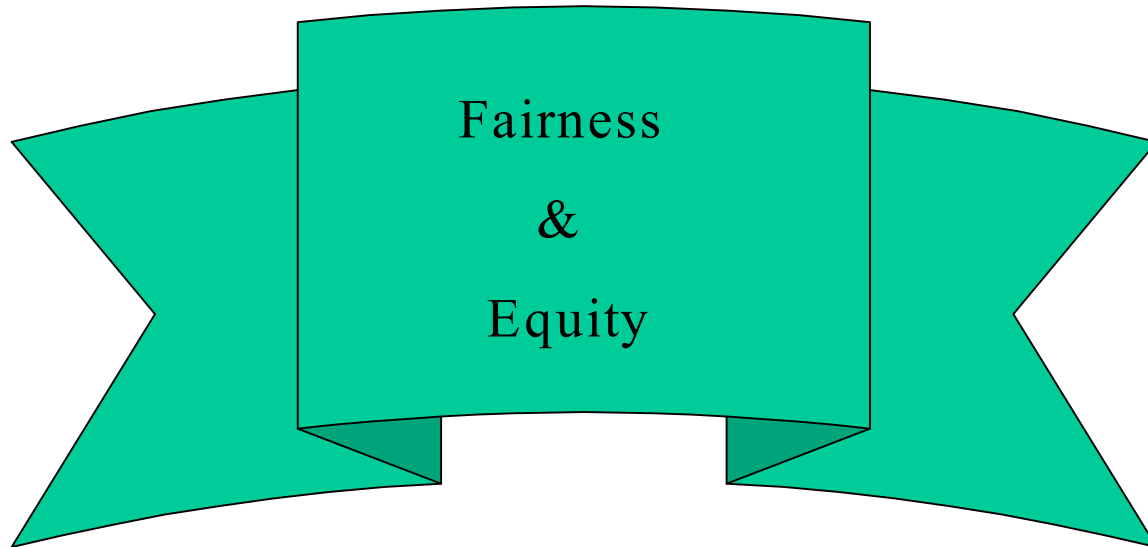


# Assessor's Office City of Bangor, Maine

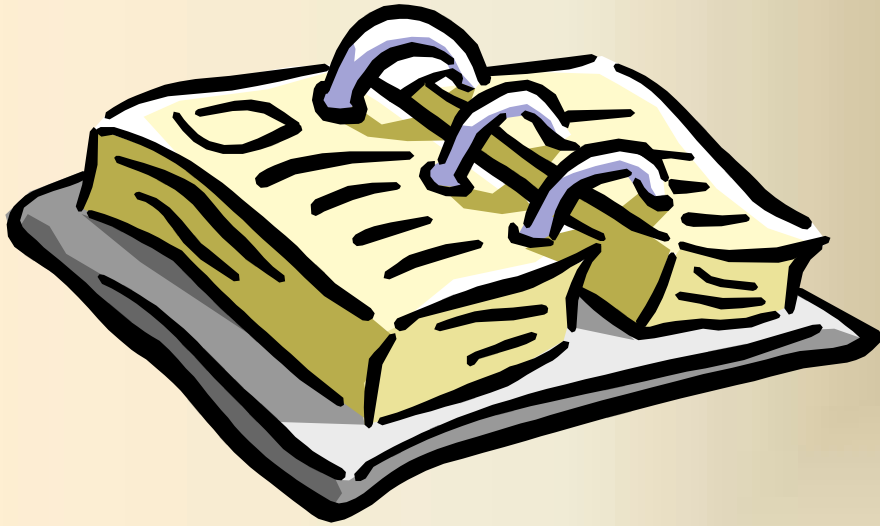


***This show takes 20 minutes***

# **Annual Assessment Update**



- **Quality Market Information**
- **Supply and Demand Changes**
- **Market Value Factors**
- **Equality Adjustments**
- **Fair and Equitable Assessments**



**Maine's official**  
**Assessment Date**  
**is April 1, 2006**

**The City's fiscal year runs from**  
**July 1, 2006 to June 30, 2007**

**This period is called Fiscal Year 2007**



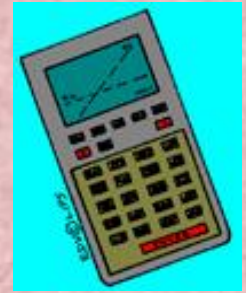
# Study Period



- real estate sales which occurred starting July 2004 thru June 2005
- The city used over 500 sales



# What is a Sales Ratio?



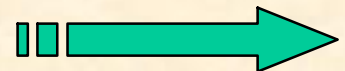
- **Sales Ratio = Assessment divided by Sale Price**
- **For example, the property's assessment is \$90,000 and it sells for \$100,000. The ratio is 90% or *under-assessed*.**



# Objectives



- **City policy says overall Sales Ratio should be about 100%.**
- ***Assessor proposes annual adjustments to bring properties within the Sales Ratio range of 92% to 98%; across property classes.***



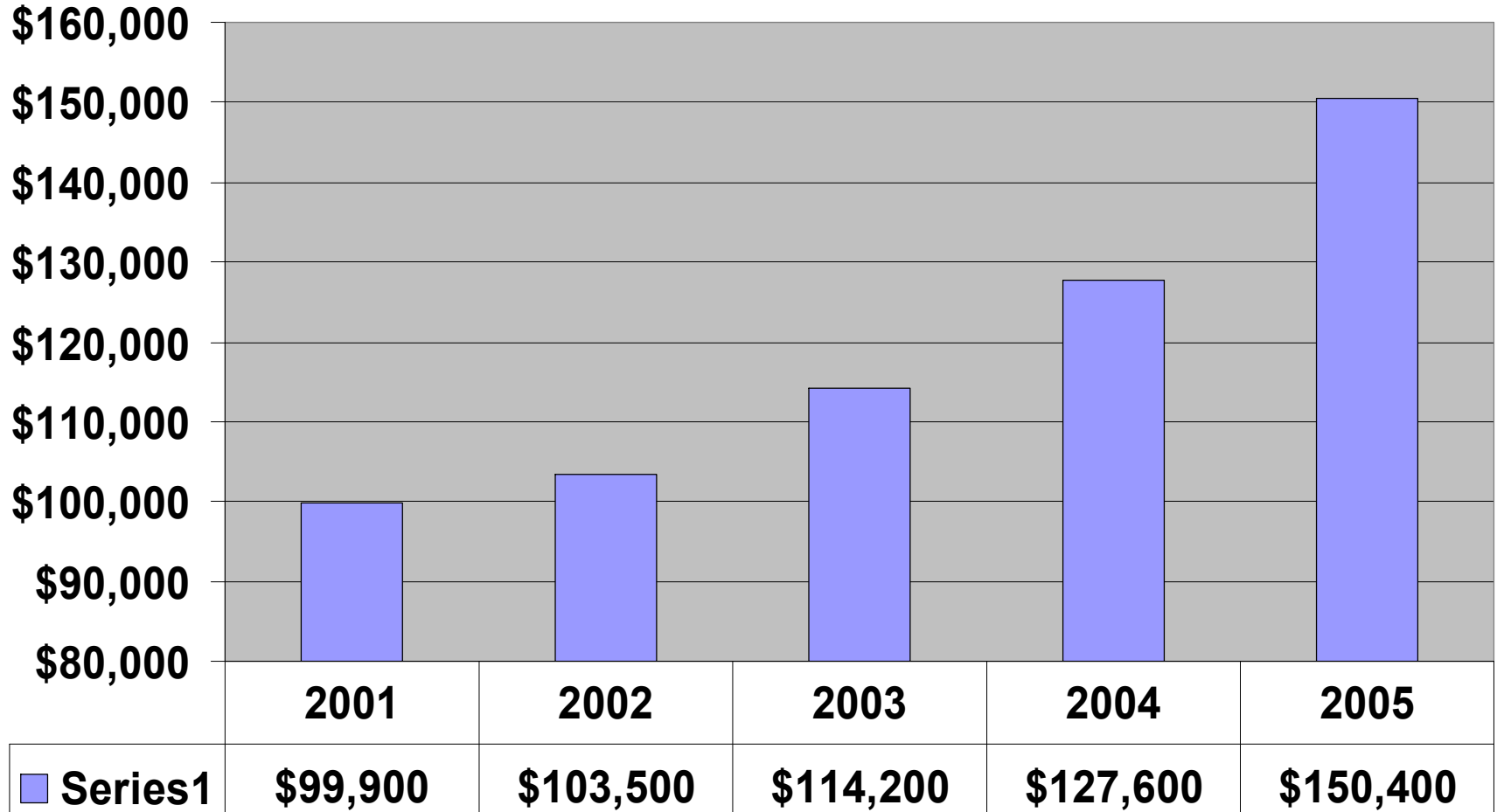


# Office of Fed. Housing Oversight oversees Fannie Mae & Freddie Mac



- Home Price Index for Bangor
- Appreciated 13.29% in the last one year period. (June 2004 to June 2005)
- Appreciated 54.81% in the last five-year period
- (Source: [www.OFHED.gov](http://www.OFHED.gov) click on House Price Index)

## Single Family - Change in Average Sales Price

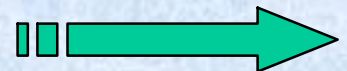


50.6% increase



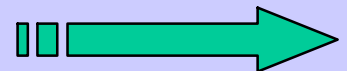
# **Proposed Adjustments**

- **Most residential properties receive an upward adjustment based upon market trends.**
- **Positive adjustments to building values mainly by residential neighborhood.**



The next few slides show a number of Bangor properties that have sold twice.

Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.



# Cumberland Street

2 Story

Sold 5/2002  
for \$69,500

Sold 8/2004  
for \$77,150

17% increase  
over 27  
months





# Palm Street

2 Story

Sold 2/2001  
for \$50,000

Sold 9/2004  
for \$92,000

84% increase  
over 45  
months



# Third Street

2 Story

Sold 3/2002  
for \$64,500

Sold 6/2005  
for \$93,500

45% increase  
over 39  
months





# Broadway

Colonial

Sold 8/2002  
for \$79,500

Sold 3/2005  
for \$115,000

45% increase  
over 32  
months



# Stillwater Avenue

Ranch

Sold 5/2002  
for \$91,500

Sold 8/2004  
for \$124,800

36% increase  
over 28  
months



02/62506 12.01



# Davis Road

Ranch

Sold 4/2004  
for \$112,200

Sold 6/2005  
for \$124,900

12% increase  
over 14  
months



# Thirteenth Street

Cape

Sold 7/2002  
for \$96,500

Sold 4/2005  
for \$139,000

45% increase  
over 34  
months





# Yankee Avenue

Raised Ranch

Sold 2/2004  
for \$129,500

Sold 1/2005  
for \$145,000

12% increase  
over 11  
months





# Norway Road

Cape



Sold 9/2003  
for \$145,000

Sold 7/2004  
for \$175,000

21% increase  
over 11  
months

# Harvard Street

Cape

Sold 8/2002  
for \$168,000

Sold 4/2005  
for \$188,500

12% increase  
over 33  
months





# Laurel Circle

2 Story

Sold 5/2003  
for \$185,000

Sold 6/2005  
for \$210,000

14% increase  
over 25  
months



# McKinley Street

Colonial



Sold 12/2003  
for \$193,000

Sold 6/2005  
for \$239,000

24% increase  
over 19  
months



# Howard Street

Cape

Sold 2/2001  
for \$237,000

Sold 8/2004  
for \$275,000

16% increase  
over 43  
months





# Trillium Trail

Contemp.

Sold 12/2002  
for \$420,000

Sold 12/2004  
for \$420,000

0% increase  
over 24  
months



The next few slides show a number of condo or pud (planned unit development) homes that have sold twice. Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.

# Baldwin Drive off Broadway

Townhouse

Sold 2/2002  
for \$79,700

Sold 4/2005  
for \$119,500

50% increase  
over 38  
months





# Franklin Street Condo Downtown

Unit on  
1<sup>st</sup> Level



Sold 1/2000  
for \$76,000

Sold 12/2004  
for \$135,000

78% increase  
over 60  
months



# Cortland Circle off Broadway

Cape

Sold 10/2001  
for \$116,000

Sold 5/2004  
for \$140,000

21% increase  
over 31  
months





# **Mobile** **Homes** **in Parks**



**Our records show that the assessments are in-line with the sale prices on average. This year the mobile home values will not receive an adjustment.**



# **Mobile Homes in Parks**

## **PARK NAME**

## **MARKET CHANGE**

**MARTEL**

**No Market Adjustment**

**PRAY**

**No Market Adjustment**

**RAINBOW**

**No Market Adjustment**

**HOLIDAY**

**No Market Adjustment**

**CEDAR FALLS**

**No Market Adjustment**

**BIRCH HILL ESTATES**

**No Market Adjustment**

# C Street Birch Hill Estates

Mobile Home

Sold 4/2003  
for \$12,000

Sold 6/2004  
for \$12,500

4% increase  
over 13  
months





# **Single Family to Four Unit Buildings**

**A single percentage increase will  
not apply to all residential  
properties.**

---

**The next slide shows that all  
types of residential properties are  
increasing in assessment due to  
higher sale prices.**



# Residential % Change

FY 2007

PROPERTY  
TYPE

AVERAGE  
PERCENTAGE  
INCREASE

SINGLE FAMILY

9%

TWO FAMILY

11%

THREE FAMILY

13%

FOUR FAMILY

11%

(See Next Slide for More Detail on Changes)



# Residential % Change

Percentage <u>Change</u>	One <u>Family</u>	Two <u>Family</u>	Three <u>Family</u>	Four <u>Family</u>
<u>Small Reduction</u>	13%	6%	5%	4%

FY 2007

## Increase

1% to 5%	16%	9%	8%	4%
6% to 10%	45%	58%	51%	66%
11% to 15%	12%	9%	8%	12%
16% to 20%	5%	2%	3%	1%
21% to 25%	4%	14%	18%	12%
<u>Over 25%</u>	<u>5%</u>	<u>2%</u>	<u>7%</u>	<u>1%</u>
Total	100%	100%	100%	100%



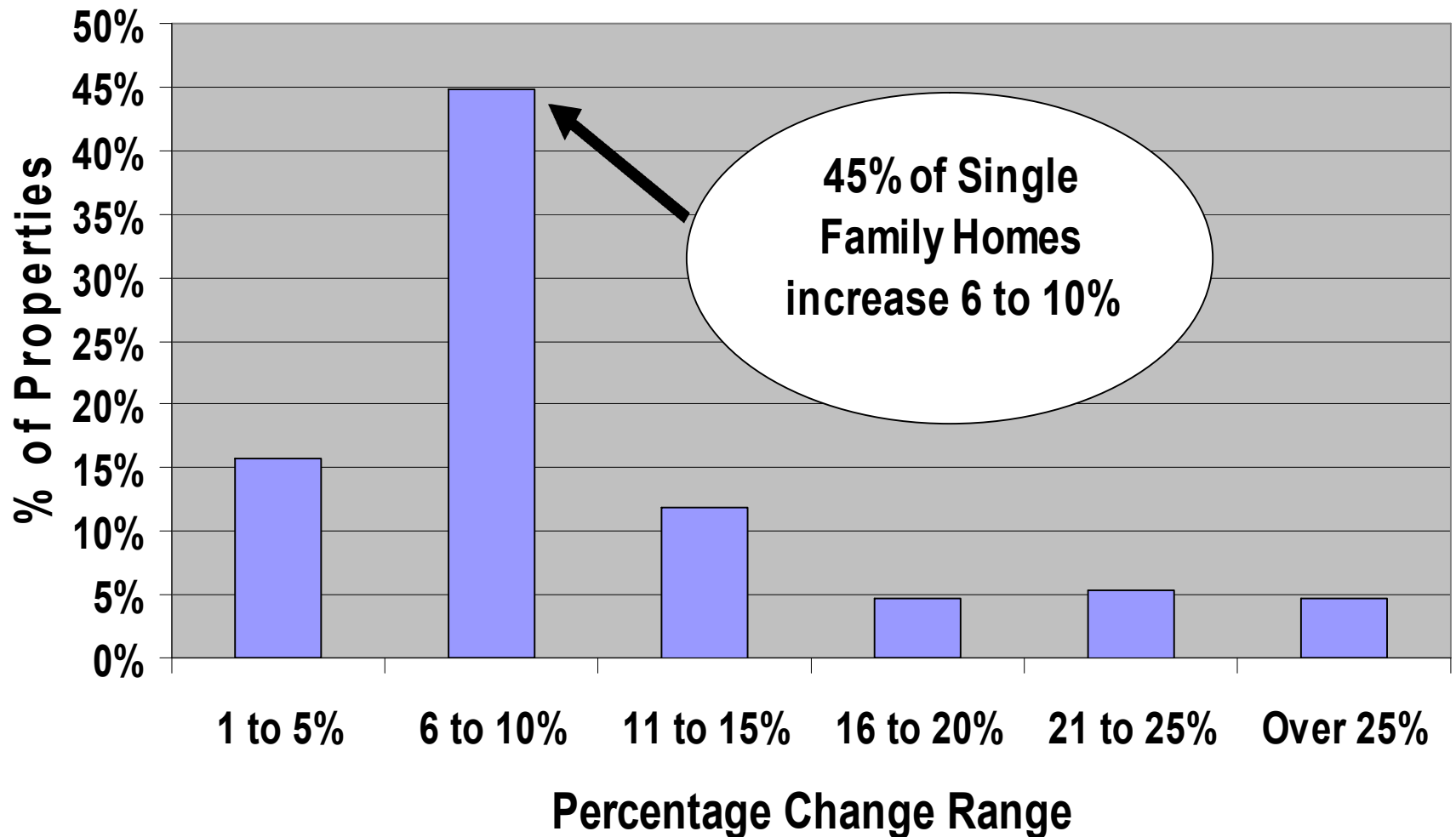
The next slide gives a general sense for the impact of the assessment adjustments on single family homes.

---

The slide shows that most assessments increase and that 45% will increase between 6% to 10%.



## Percentage Increase - Single Family



**The next two slides help answer the following question.**

---

**Why would the value of my home increase if I haven't done anything to my property and nothing has sold near mine ?**





**The value of your property may change due to inflation, interest rates, supply and demand, current market trends, etc.**

**For example, mature neighborhoods with good housing may become fashionable as new homebuyers relocate to buy or rent.**

**Also, a shortage of houses in a desirable city neighborhood can also raise values.  
(continued)**



**Other possible reasons: (1) you were valued at a lower market value in a previous year; (2) fluctuations in market sales, up or down; and (3) renovation and modernization.**

---

**It is possible that values in your neighborhood have increased in the previous year due to an increase in sales activity and sale prices. If your neighborhood's values have increased, then your home's value may also.**



**The next 7 slides show the city's  
neighborhood map starting with the  
in-town west side and finishing with the  
outer east side.**

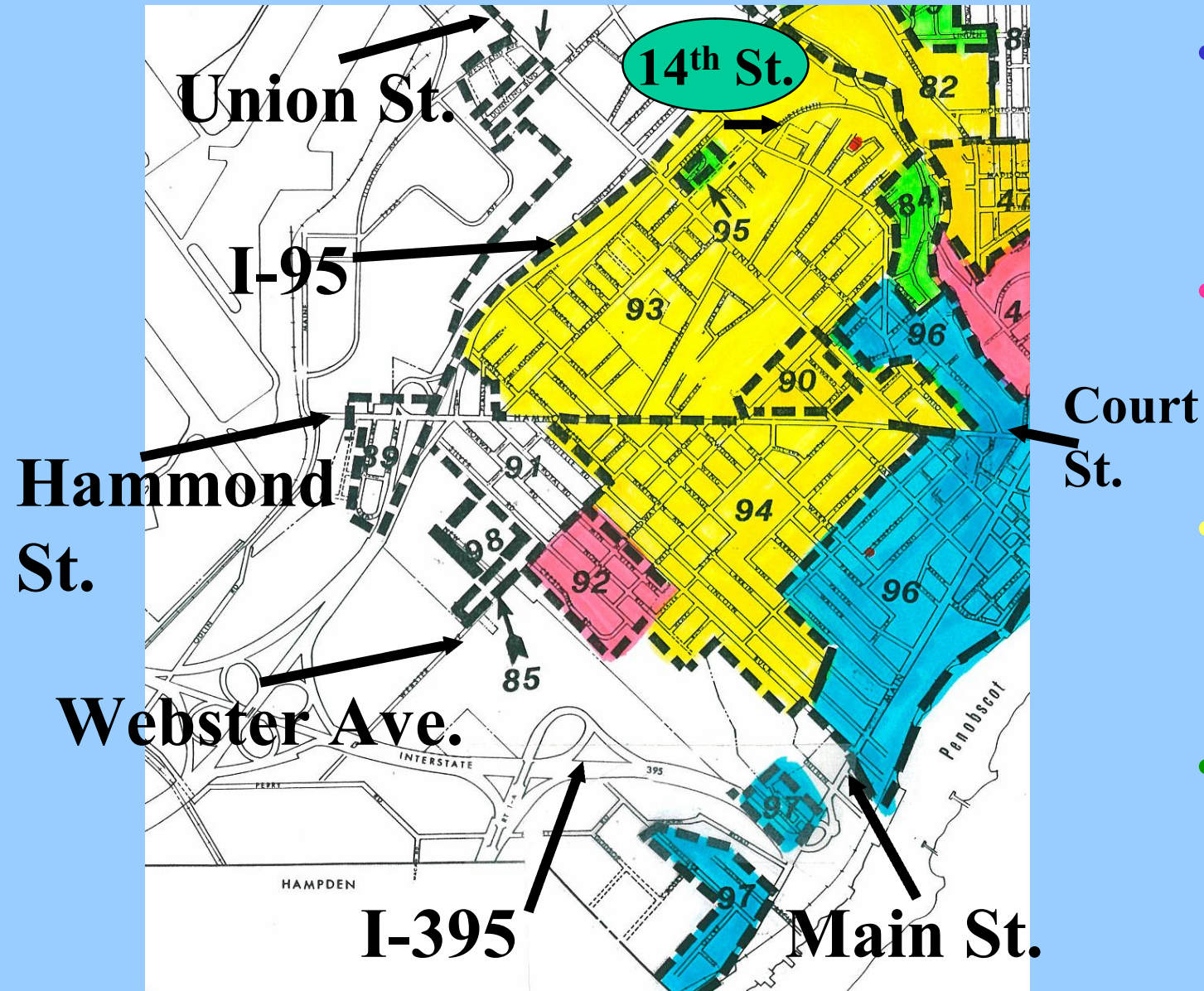
**What is the overall average increase in your  
neighborhood?**

**Homes in the white area on each map will  
receive a valuation adjustment between  
**0 to 2% higher.****





# In-town West Side Neighborhoods % Increase



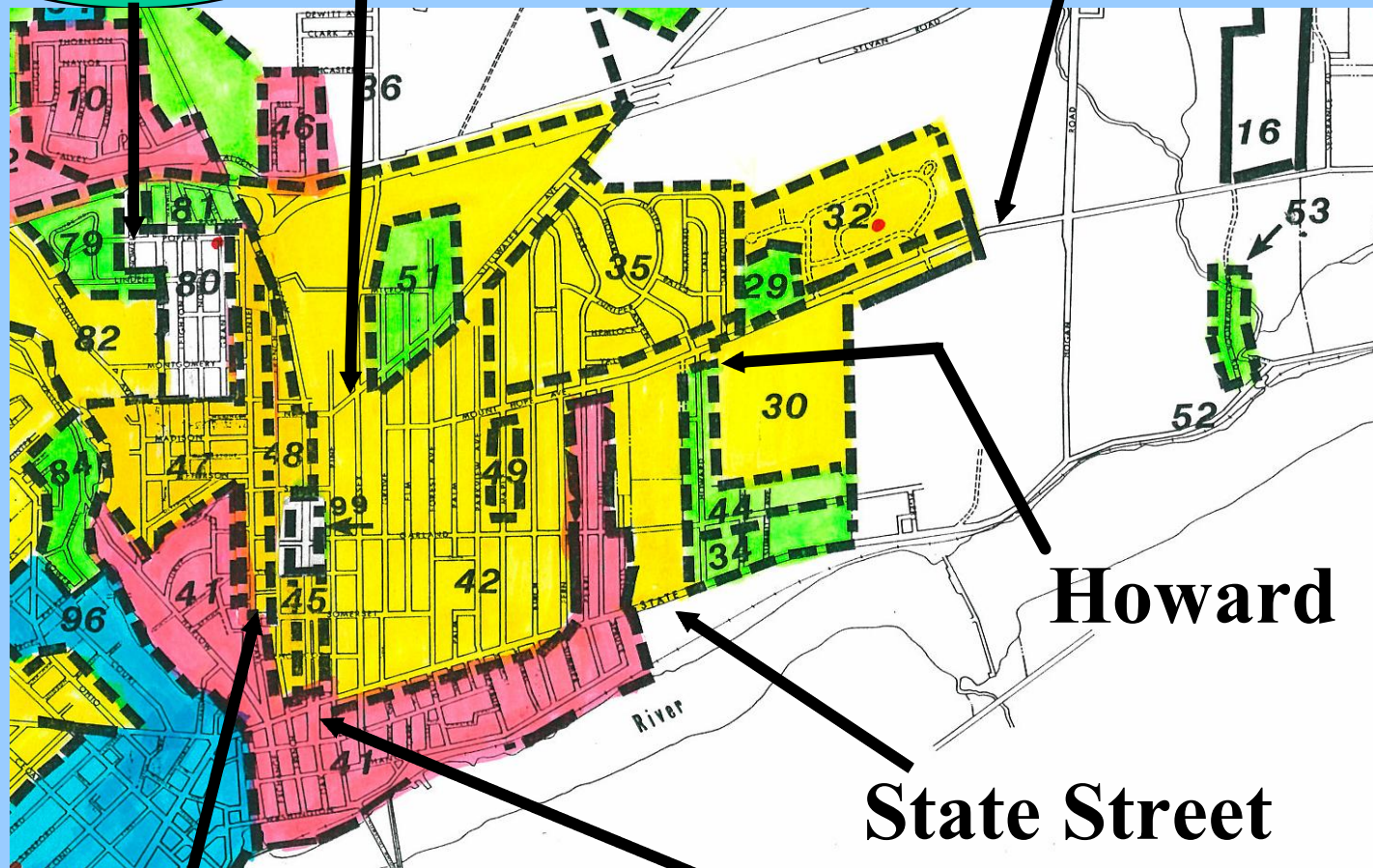
- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

# In-town East Side Neighborhoods % Increase

Corner of Broadway & Stillwater Avenue

Poplar St.

Mt.Hope Ave.



- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Center St.

Corner State & Broadway



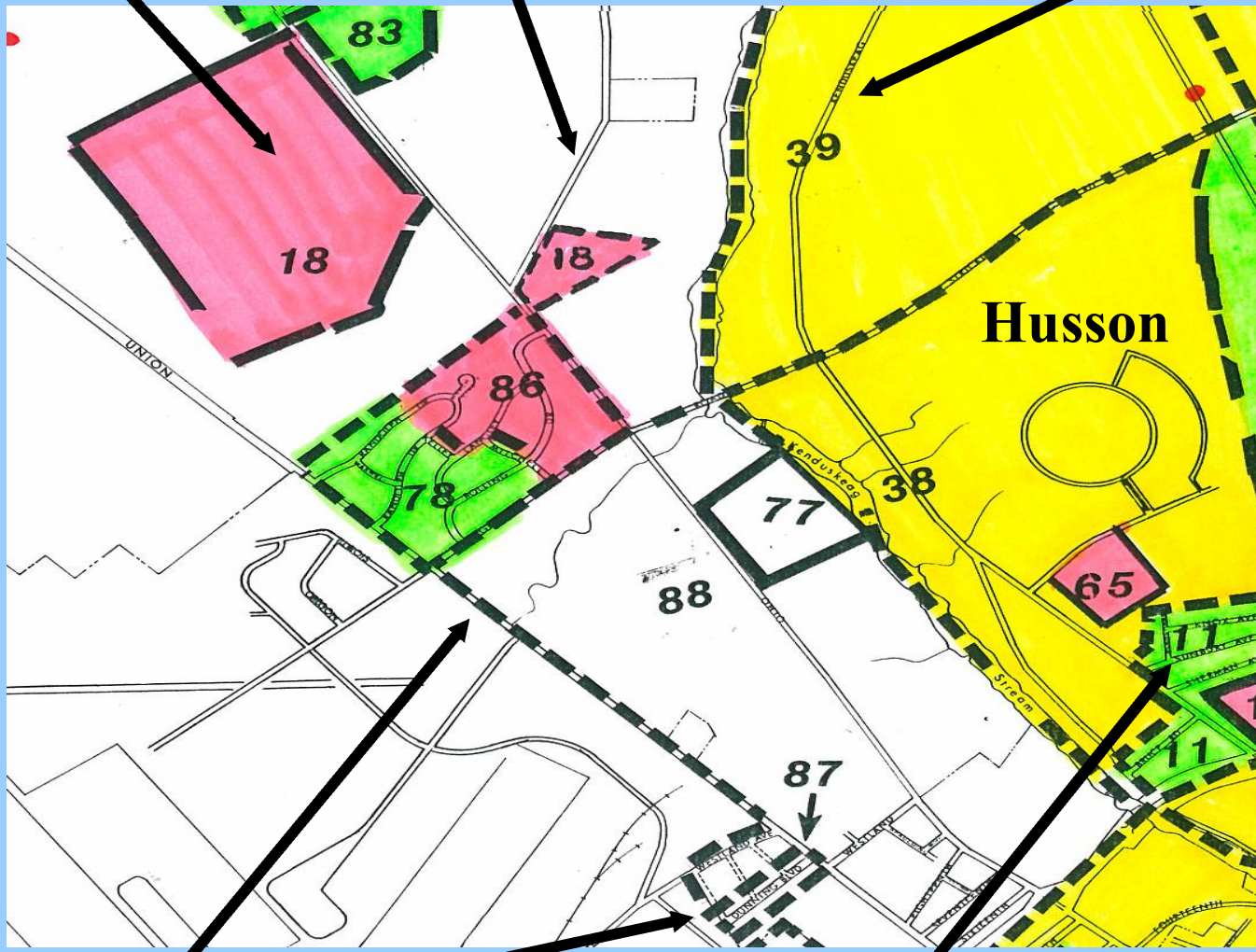
# Union Street & Kenduskeag Avenue

## Neighborhoods % Increase

Yankee Ave.

Finson

Kenduskeag



- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Union Street

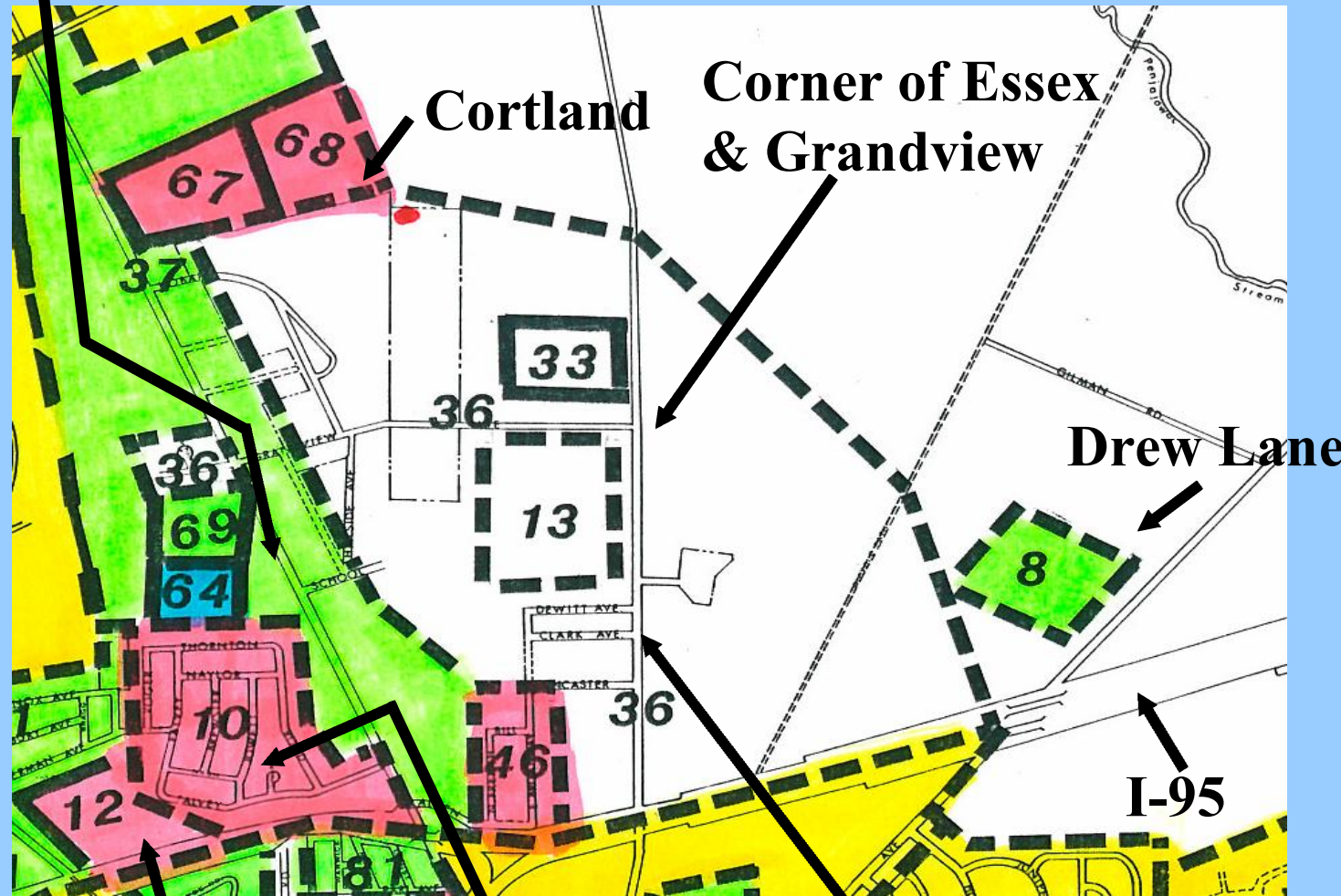
Dunning Blvd.

Kenduskeag Garden



# Broadway & Essex Street Neighborhoods % Increase

Corner Husson & Broadway



- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Laurel Circle Bangor Garden Clark Ave

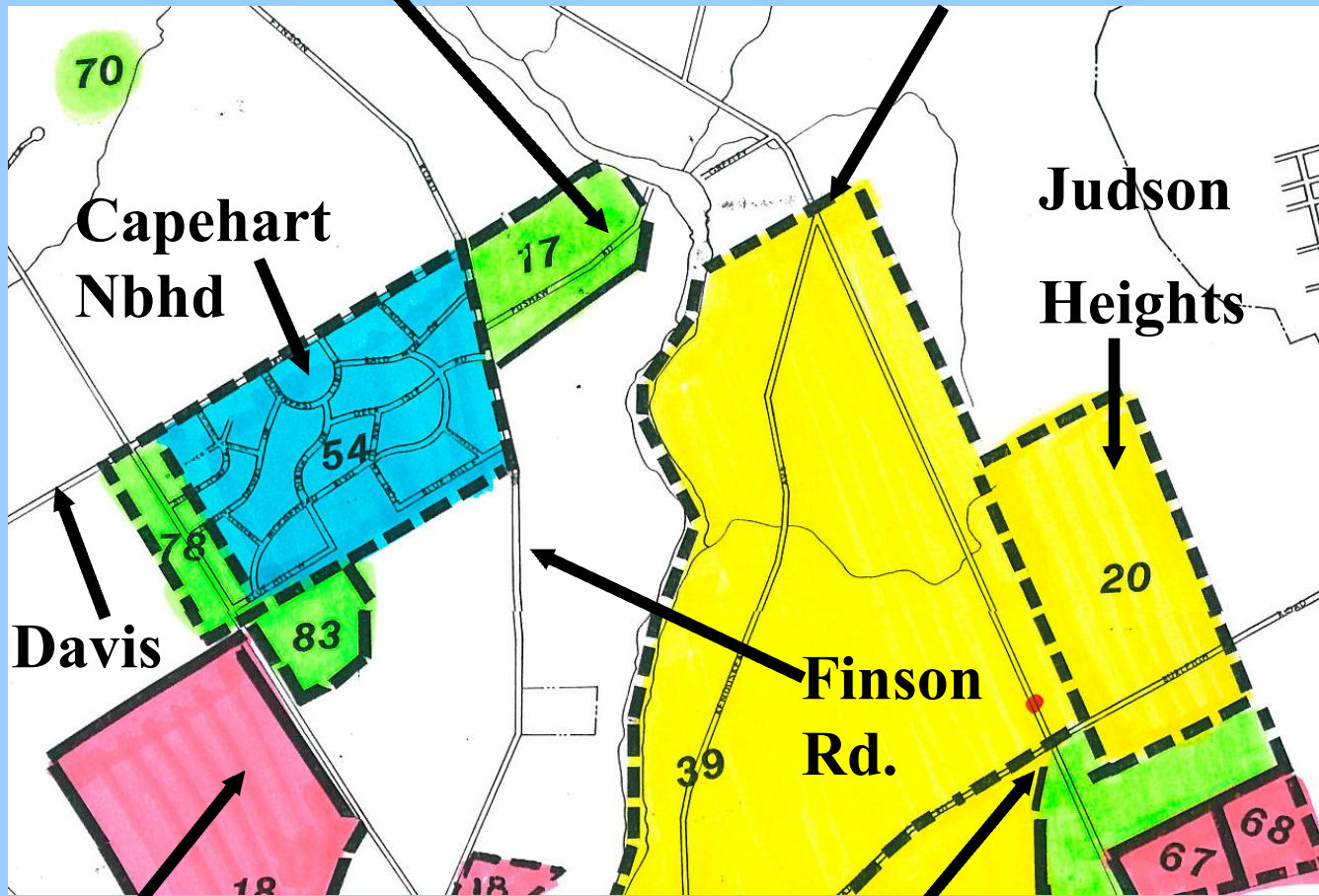
# Outer Broadway & Finson Road

## Neighborhoods % Increase

Pushaw Road West

Corner of Broadway  
& Kenduskeag

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



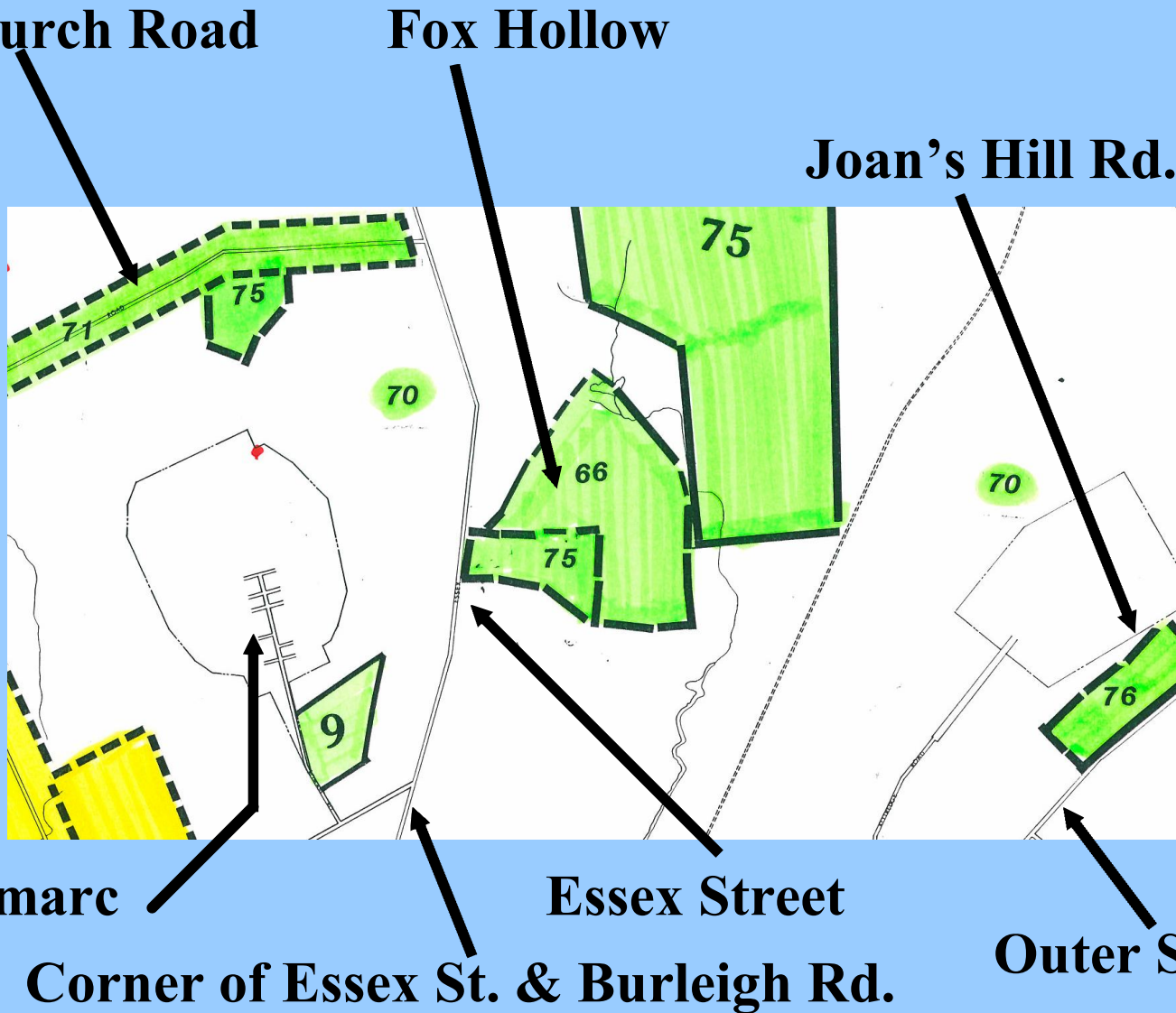
Sunny Hollow & Yankee

Corner Broadway & Burleigh Rd

# Outer Essex, Church Road and Stillwater Ave.

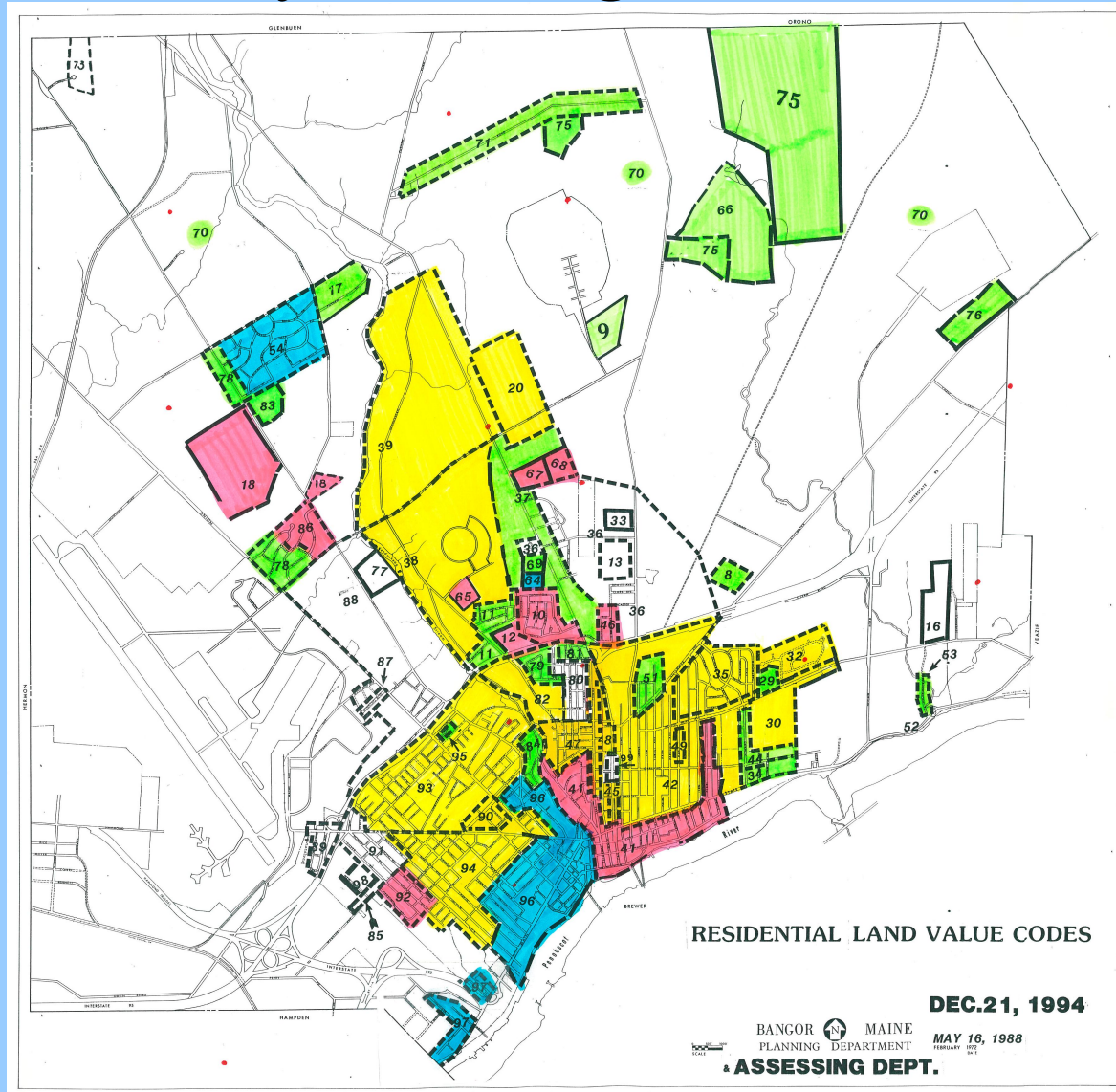
## Neighborhoods % Increase

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%





# Entire City of Bangor - % Increase Residential



- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

All the white area is 0 to 2%

What about all the new homes  
including mobile homes being  
built or located in Bangor?

Are they being assessed at  
reasonable values?

The answer is YES !



# New home at Holiday Park Mobile Home Park

Mobile Home  
Single Wide

Likely  
assessment  
range  
of  
\$40,000  
to  
\$45,000





# New home at Birch Hill Estates Mobile Home Park

Mobile Home  
Double Wide

Likely  
assessment  
range  
of  
\$55,000  
to  
\$65,000



# New house on Molly Lane near the Bangor Mall



Ranch

Likely  
assessment  
range  
of  
\$130,000  
to  
\$140,000

# New house on Briarwood Drive off Bomarc Road

Raised Ranch

Likely  
assessment  
range  
of  
\$155,000  
to  
\$165,000





# New house off outer Stillwater Avenue

Ranch



Likely  
assessment  
range  
of  
\$165,000  
to  
\$185,000

# New house on Hillview Drive off Judson Blvd.

Colonial with  
garage with  
finished attic



Likely  
assessment  
range  
of  
\$245,000  
to  
\$265,000

# New house on Skyline Road off Church Road

Colonial

Likely  
assessment  
range  
of  
\$480,000  
to  
\$520,000





What about all new Commercial,  
Industrial and Retail buildings  
being built in Bangor? Are they  
being assessed at reasonable  
values?

The answer is YES !

# New Retail Car Center



Likely assessment for building \$230,000

# New Apartment Building



Likely assessment for building \$500,000



# New Industrial Building



Likely assessment for building \$600,000

# New Restaurant



Likely assessment for building \$700,000



# New Retail Shopping Center

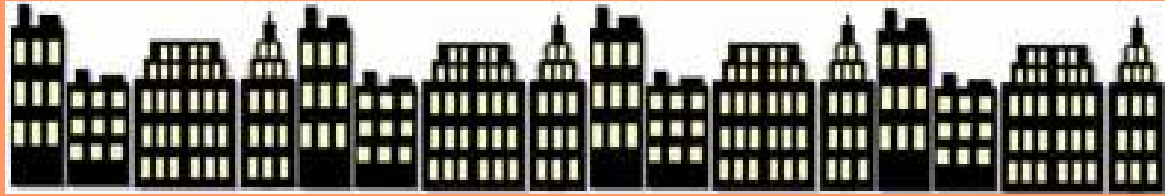


Likely assessment for building \$15,000,000



The next few slides show that apartment buildings and other commercial/industrial properties have also increased in assessment.

# Apartment Buildings

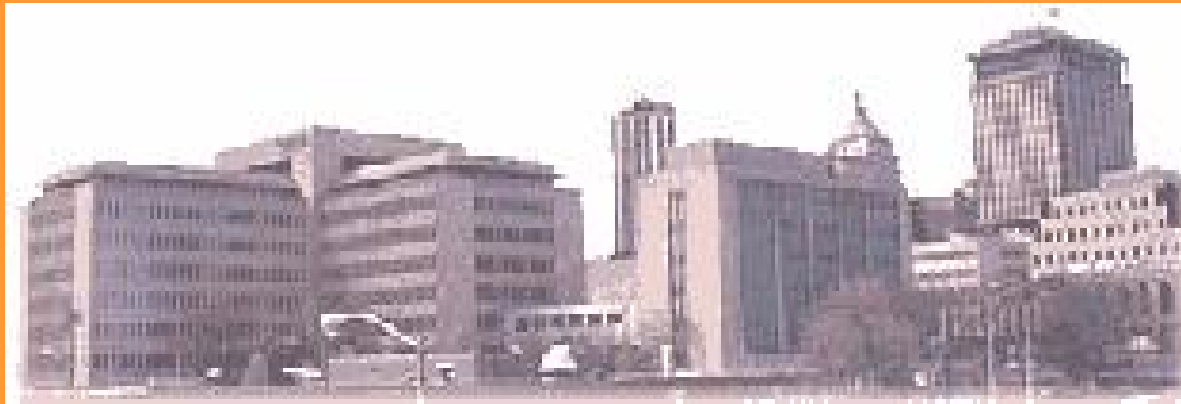


## Commercial Apartment Buildings

**5 or more number of Units**


**Average 18% Increase**

**Commercial and Industrial  
properties will also increase in  
value.**



**The average increase in  
assessment is 4%**



Commercial		Average
<u>Property Type</u>	<u>Count</u>	<u>% Increase</u>
Multi-Family	224	18%
Office	174	4%
Retail Store	157	4%
Warehouse	70	1%
Medical Office	68	3%
Restaurant	31	4% 

# **Summary of Changes**

- **Changes are Market Based**
- **Fairness and Equity have both Improved**
- **Adjustments are Necessary**

# **Is my assessment equitable?**

**There are two very good methods of determining this. First, compare your property to similar properties that sold in the previous year. Second, if no recent sales are available, compare your assessment to other similar properties in your area. Remember, very few properties are exactly alike.**



# **Your Tax Bill**

**Individual tax bills are based on your property's taxable value (assessed value minus exemptions - if any).**

**An increase in value may increase the tax dollars paid.**

# Homestead Exemption

## This Year's Exemption

**\$13,000 reduction of the taxed  
property value.**

**or about**

**\$+/- dollars of actual tax  
reduction.**

# Bangor's Tax Rate

Last Year's Rate

This Year's Rate

**\$20.40**

**\$00.00**

**The same rate is used for all classes of property; both real and personal.**

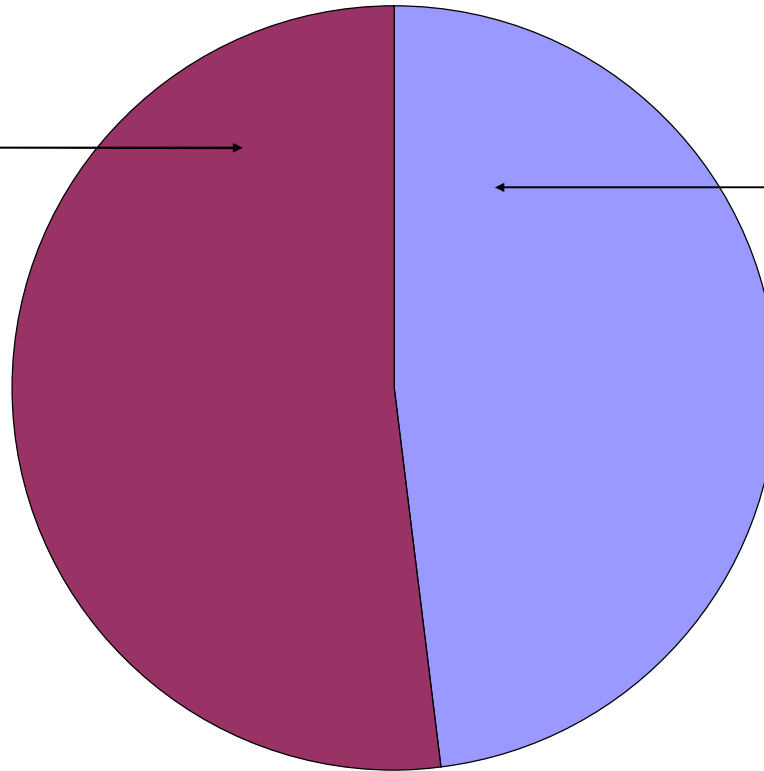


FY07

## Who pays what share of taxes in Bangor?

RESIDENTIAL  
ONE TO FOUR  
FAMILY HOMES,  
CONDOS,  
MOBILE HOMES  
AND ALL  
VACANT LAND

52%



COMMERCIAL,  
INDUSTRIAL  
AND  
BUSINESS  
PERSONAL  
PROPERTY

48%

**We welcome all questions and  
comments about this presentation**

**Please call our office at 992-4212 or  
stop by to see us between**

**8:00 a.m. & 4:30 p.m. - M-F**

**We are located on the first floor of  
City Hall - 73 Harlow Street.**



**This Annual Assessment Update is  
also available for view on the  
city's official website.**

**Please go to:**

**[www.bangormaine.gov](http://www.bangormaine.gov)**

# Music Reference

- Yanni - Tribute
- Boublil and Schonberg's Legendary Musical  
Les Miserables – Royal Albert Hall Concert
- The Noel Touthy Radio Ceili Band - Jigs



**The End  
&  
Thank You.**

